

**00879**

**1987/07/31**



United States Department of State

Washington, D.C. 20520

July 31, 1987

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DETTC - Gen'l R

UNCLASSIFIED  
MEMORANDUM

TO: EB/ITC - Mr. Zacharia  
FROM: EB/ITC - WAWorkman  
SUBJECT: China-related Provisions in the Trade Bills

As requested, the following provisions in HR 3 and S. 1420 either would affect exports of controlled commodities to China or somehow reference China.

HR 3

S. 1420

SECTION 332 (a) "MULTIPLE LICENSES"

--AUTHORIZES USE OF DISTRIBUTION  
LICENSE FOR EXPORTS TO PRC

SECTION 332(d) "EXPORTS TO NON-  
CONTROLLED COUNTRIES"

- DECONTROLS PRC NOTE LEVEL  
TECHNOLOGY TO FREE WORLD COUNTRIES  
EXCEPT FOR: 1.) PUBLISHED  
BAD END USERS; & 2.) COUNTRIES  
IDENTIFIED BY DOC AS POSING A  
A SIGNIFICANT DIVERSION RISK
- DOC MAY REQUIRE NOTIFICATION OF  
ANY OF THESE GOODS BY ANYONE TO  
DOC
- GOES INTO EFFECT 6 MONTHS AFTER  
PASSAGE OF THE BILL

SECTION 1001 "DISTRIBUTION  
LICENSE

--SAME AS HR 3 (ALSO IN ADMIN.  
BILL)

SECTION 1004 "EXPORTS TO COCOM

- DECONTROLS PRC NOTE LEVEL  
TECHNOLOGY AS OF MAY 5, 1987  
TO COCOM & 5(K) COUNTRIES
- ALLOWS A NOTIFICATION TO DOC  
REQUIREMENT
- REQUIRES AN ANNUAL REVIEW OF  
ADJUSTMENT OF PRC NOTE AND  
G-COM TECHNOLOGY LEVELS
- ALLOWS DOC TO REQUIRE A LI  
ENSE FOR CERTAIN END USERS
- ALLOWS DOC TO REQUIRE A LI  
ENSE TO COUNTRIES NOT COMPAT  
ING WITH COCOM RULES

DEPARTMENT OF STATE

IS/FPC/CDR

Date: 6/26/92

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FOIA Exemptions  
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MR Cases Only:  
EO Citations

TS authority to:  
( ) CLASSIFY as ( ) S or ( ) C OADR  
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6032

HR 3

S.1420

NO PROVISION	SECTION 1010 "SUNSET PROVISION" --PRC NOTE LEVEL TECHNOLOGY NOT REVIEWED EVERY 2 YEARS AUTOMATICALLY DECONTROLLED IF WITHIN 90 DAYS AFTER AN ALLEGATION BY EXPORTER, DOC DOES NOT PUBLISH A REVIEW
SECTION 332(h) "TRADE SHOWS" --ALLOWS ALL LEVELS OF GOODS AND TECHNOLOGY TO BE DEMONSTRATED IN THE PRC, EVEN THAT WHICH WOULD BE DENIED A LICENSE FOR EXPORT TO THE PRC	SECTION 1011 "TRADE SHOWS" --SAME AS HR 3
SECTION 332 (1) "NEGOTIATING OBJECTIVES" --EXPAND THE NUMBER OF CHINA NOTES	SECTION 1015 "NEGOTIATING OBJECTIVES" --NO PROVISION (NOT IN ADMIN. BILL EITHER)

Copies of the actual language in each bill are attached.

Attachments:

As stated